

## Non-federal Workforce System Performance Measures in Washington

### *Background*

A 1991 legislative mandate disbanded Washington's State Board for Vocational Education and replaced it with the new Workforce Training and Education Coordinating Board (WTECB). The new organization was designed to increase local authority, create a statewide governance system, and reduce fragmentation among workforce development programs. Membership included representatives from business and labor, the Superintendent of Public Instruction, the Executive Director of the State Board of Community and Technical Colleges, and the Commissioner of the Department of Employment Security. WTECB was made responsible for developing a comprehensive state plan, establishing performance standards, conducting biennial program evaluations, and completing a net impact and cost-benefit system analysis every five years. Subsequent to the implementation of the Workforce Investment Act (WIA), WTECB serves also as the state Workforce Investment Board.

### *Design and Implementation*

The WTECB began developing system goals and performance measures in 1994 with the assistance of the National Governors Association. Completed January 1996, the new "Performance Management for Continuous Improvement" (PMCI) accountability system was adopted by secondary vocational-technical education, community and technical colleges, Adult Basic Skills Education, JTPA, Employment Services, private career schools, and the One-Stop Career Center system. The five basic components of the PMCI framework are listed in Box A. The second (1998) through fourth (2002) workforce biennial program evaluations produced by WTECB applied common, cross-program measures related to the

#### Box A Basic Components of the PMCI Framework

1. Desired Outcomes and Indicators of Performance – *Seven desired outcomes (competencies, employment, earnings, productivity, reduced poverty, customer satisfaction, and return on investment) were selected by the state board. Indicators for each outcome are measured for the population as a whole as well as women, people of color, and people with disabilities.*
2. Performance-Based Consequences – *WIA Title I incentive funding will be allocated to boards that exceed expectations.*
3. Measuring and Reporting Results – *The Workforce Board tracks outcomes for secondary and post-secondary vocational-technical education, WIA, work-related adult education and family literacy, the WorkSource one-stop system, and other workforce development programs.*
4. Continuous Quality Improvement – *Annual self-assessments using the Baldrige Quality Criteria and goal setting process conducted by local councils.*
5. Implementation Measures – *Regular report to the Governor on key goals, objectives, and strategies outlined in the strategic plan.*

Source: *High Skills, High Wages: Washington's Strategic Plan for Workforce Development 2000*  
<http://www.wtb.wa.gov/hshwplan.pdf>

seven desired system outcomes as general indicators of achievement.

**Box B**  
**WorkSource Performance Indicators**

- 1) Percentage of employers using WorkSource services
- 2) Percentage of total workers using WorkSource services
- 3) Customer perception of seamlessness
- 4) Staff perception of integration
- 5) Number of students who are WorkSource participants
- 6) Credential Rate
- 7) Employment and credential attainment
- 8) Employment or further education
- 9) Entered employment rate
- 10) Retention in employment
- 11) Earnings
- 12) Earnings gain
- 13) Employer satisfaction\*
- 14) State measure of participant satisfaction
- 15) Federal measure of participant satisfaction

Source: Worksource Performance Indicators: First Annual Report, March 2003

The “2000 High Skills, High Wages: Washington’s Strategic Plan for Workforce Development” expanded on the PMCI framework to accommodate the Workforce Investment Act and Perkins Act amendments of 1998.<sup>1</sup> The First Annual Report of the One-Stop system using the new Performance Indicators (see Box B) was published in the spring of 2003. The report presents individual and aggregate outcomes for WIA Title I-B programs and Employment Services. Washington continues to evolve beyond cross-program measures, and the combined application of the new indicators shows continuing progress towards system measures.

In addition to the statewide performance measures, the PMCI’s Continuous Quality Improvement component supports strategic planning and outcomes measures at the local level. In 1999, for example, Washington required that each WorkSource Center and Affiliate Site complete a self-assessment based on the Baldrige Quality Criteria. Local centers have since been encouraged to set their own goals and develop their own performance measures as part of a continuous improvement initiative.

***Data Collection and Management***

Washington currently uses a number of data collection tools for performance measures. Surveys – using both state and federal questions – are used to gauge customer satisfaction and seamless, integrated service delivery. The authorizing legislation requires the use of Unemployment Insurance wages data

managed by the Employment Security Agency. Employment Services, WIA, and other employment/training program data were in the past gathered from administrative records

<sup>1</sup> WIA gave more authority for accountability to the Governor and the SWIB, which in turn helped drive the local Workforce Investment Councils toward systemic awareness.

in Washington's JobNet and DataFlex systems. In April 2002 Washington implemented a new data management system known as SKIES (Services, Knowledge, and Information Exchange System) to replace JobNet and DataFlex.<sup>2</sup> WTECB's status as a state eligible agency under Perkins permits access to vocational education data. Administrative data for other programs (adult education, vocational rehabilitation, apprenticeship, etc.) are collected from the operating agencies under interagency agreements.

Washington is also using several innovative techniques to improve the quantity and quality of data available. For example, non-registered foot traffic and types of services rendered at some WorkSource centers are now being tracked by swipe card. Participants in adult education and literacy programs are only counted toward employment measures if the individual identifies the desire to enhance their employment prospects as their motive for attending classes. Additionally, WTECB's Policy and Research division has created regression models for WIA data to adjust locally set targets based on demographics and economic conditions, and may expand this procedure to other programs in the future.

A number of data gathering limitations continue to exist. Survey response rates for WIA and other Worksource services have been low largely because of faulty and outdated contact information. Language has also hampered follow-up with English as a Second Language (ESL) students, who comprise over half of the adult education participants. As elsewhere, confidentiality has risen as an issue for K-12 students for whom unique identifiers rather than social security numbers are available. Vocational education retains an optional field for SSNs, which are provided for about 75 percent of the records. No tool for tracking internet-based service or distance learning customers is currently in place.

Washington has also faced issues regarding definitions. WTECB developed a tighter definition for "credential" that was abandoned as a result of local insistence upon using the broader language found in WIA. The state also struggled with defining completers of postsecondary activities for determining employment outcomes, eventually settling on those who have completed at least 45 hours of vocational coursework.

### *Uses & Consequences*

Washington stands out as an example of a state that is utilizing performance measures to stimulate system change. The PMCI program is firmly connected to the strategic planning process and provides a framework for reports to the legislature and governor. WTECB also views the Performance Indicators as a marketing tool: by demonstrating success through hard data Washington hopes to attract more employers and job seekers to its workforce development programs.

A subset of the WorkSource performance indicators are considered "core" indicators that serve as state additional measures under WIA and are used for local incentives. The core performance indicators currently are:

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<sup>2</sup> SKIES is a single statewide information repository that users access via the Internet. Derived from Utah's UWORKS, it presently supports 1,350 users from a cross section of public and private employment and training providers. Future performance measures will be based on SKIES data, which may create some difficulty in cross-year comparison in the short-term.

1. Employment or Further Education of Former Program Participants
2. Earnings of Former Program Participants
3. Educational Attainment of Program Participants
4. Employer Satisfaction with Former Program Participants
5. Former Participant Satisfaction.

Although part of the 10 percent for WIA incentives held at the state level is used to award local areas for attainment regarding core measures, at present prevailing categorical program measures and their associated incentives/sanctions drive most local behavior. (TANF-related programs and services have a separate set of indicators for individuals and families in transition.) At this stage of system development, Worksource Centers and Workforce Development Councils are free to advance core measures to the degree that makes sense to them.

### ***Lessons Learned & Future Plans***

Washington has experienced the difficulty and the reward of operationalizing system measures beyond those required by the federal government. Washington has learned that introducing a statewide accountability system across programs and agencies requires teamwork. Strategic planning and evaluation processes have played a key role enhancing a systemic mindset, and it did so largely because there was a concerted effort to bring all stakeholders to the table where the importance of system measures to assess common outcomes is more apparent. The state is also very actively involved in the discussions regarding the proposed federal common measures, and hopes that there can be a viable relationship between the state and federal measures. WTECB looks forward to the maturation of data and applications in SKIES, and hopes that the additional coordination resulting from this upgrade will further Washington's goal of capturing workforce system performance.

### ***Concluding Observations***

By embracing system building as a long-term goal, Washington has reserved a space at the head of the workforce development pack. It has brought together a broad array of agencies, programs, and services under the purview of WTECB, and has structurally bypassed most barriers to sharing data and accountability for workforce efforts. Significant progress has been made in both the strategic planning and evaluation arenas where the benefits of common, cross-program measures have been realized. The aggregate outcomes approach to the WorkSource Performance Indicators for WIA and Employment Services suggest progress moving away from traditional program silos towards comprehensive system measures. Washington State and the WTECB are likely to continue down these promising pathways.

## References

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